

 <p><b>Financial Assistance Award</b></p> <p><b>DENALI COMMISSION</b>  510 L Street, Suite 410  Anchorage, Alaska 99501  (907) 271-1414 (phone)  (907) 271-1415 (fax)  www.denali.gov</p>		<b>Award Number</b>	01478-00		
		<b>Award Title</b>	New Stuyahok - Ekwok Intertie Completion		
		<b>Performance Period</b>	June 16, 2015 through December 31, 2017		
<b>Authority</b> 112 Stat 1854	<b>CFDA Number</b> 90.100	<b><u>Recipient Organization &amp; Address</u></b> ALASKA VILLAGE ELECTRIC COOP INC 4831 Eagle St Anchorage, AK 99503-7431  <b>Phone:</b> 907-565-5358 <b>Recipient DUNS #</b> 044597615 <b>TIN #</b> 920035763			
<b>Denali Commission Finance Officer Certification</b>					
<b><u>Cost Share Distribution Table</u></b>					
Accounting Code	New Funding		Prior Period Funding		Total
	Denali Commission	Other Contributors	Denali Commission	Other Contributors	
95670000	\$742,000.00		\$0.00		<b>\$742,000.00</b>
	\$0.00		\$0.00		<b>\$0.00</b>
	\$0.00		\$0.00		<b>\$0.00</b>
Alaska Village Electric Coop		\$175,000.00		\$0.00	<b>\$175,000.00</b>
		\$0.00		\$0.00	<b>\$0.00</b>
		\$0.00		\$0.00	<b>\$0.00</b>
		\$0.00		\$0.00	<b>\$0.00</b>
		\$0.00		\$0.00	<b>\$0.00</b>
<b>Total</b>	<b>\$742,000.00</b>	<b>\$175,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$917,000.00</b>
This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.					
<b>Signature of Authorized Official - Denali Commission</b>		<b>Typed Name and Title</b>		<b>Date</b>	
Electronically Signed		Mr. Joel Neimeyer Federal Co-Chair		09/21/2015	

## AWARD ATTACHMENTS

ALASKA VILLAGE ELECTRIC COOP INC

01478-00

1. Award Conditions

**Financial Assistance Award Terms and Conditions  
Between the Denali Commission and Alaska Village Electric Cooperative  
For New Stuyahok – Ekwok Intertie Completion  
Award No. 1478**

**1. Project Summary**

- a. Scope of Work: Completion of an intertie, and associated work, to connect the communities of New Stuyahok and Ekwok, Alaska. The project will include intertie construction, conversion of the Ekwok power plant to a standby module, modifications to the New Stuyahok power plant to incorporate the intertie, and distribution upgrades.
- b. Deliverables: Completed intertie.
- c. Budget: The Commission is making \$742,000 available for the project via this Financial Assistance Award (FAA). This amount includes all direct, indirect, and pre-award costs (if any) authorized pursuant to 2 CFR 200.458. Other partners on the project include USDA Rural Utilities Service and AVEC, who in total are contributing an additional \$2,975,000. All Commission funding is intended to be used for the scope of work identified in this FAA only. Any funds remaining after the full scope of work has been completed shall be returned to the Denali Commission.
- d. Delivery Method: AVEC will use in-house resources to modify the power plant in New Stuyahok. AVEC will procure the material for the intertie. Construction of the intertie will be completed via contract.
- e. Performance Period: The Period of Performance for this FAA is June 16, 2015 through December 31, 2017. In accordance with 2 CFR 200.309 Recipients can only incur obligations or costs against this FAA during the Period of Performance, unless specifically authorized in the Special Provisions (Section 13 of this document). If a project cannot be completed within the approved Period of Performance, an extension request must be made in accordance with the Commission's *Recipient Guidelines and Requirements* (RGR) document dated July 2015, available at [www.denali.gov](http://www.denali.gov).

More detailed information on scope, deliverables, budget, project delivery method and/or management plan, and schedule are included in Attachment A dated September 14, 2015.

**2. Project Reporting and Commission Site Visits**

Progress reports and a close-out report are required under this FAA. Progress Reports shall be submitted at the frequency stipulated in the Special Provisions.

The Closeout Report shall be completed within 90-days of the end of the Period of Performance. All reports must be submitted using the Denali Commission's on-line Project Database System, available at [www.denali.gov/dcpdb](http://www.denali.gov/dcpdb).

Commission staff or agents of the Commission may make visits to the project site and/or home office to monitor progress during and/or after the Period of Performance. The Recipient shall coordinate and make information available as necessary to facilitate any such site visits.

Refer to the *Recipient Guidelines and Requirements* document for further information related to reports and site visits.

### **3. Payments**

Payments under this FAA will be made in accordance with 2 CFR 200.305 by electronic transfer in response to a Standard Form 270 (SF-270) "Request for Advance or Reimbursement", submitted by the Recipient. If Pre-award Costs and/or Advance Payments are authorized under this FAA, the Special Provisions will indicate so. Requests for reimbursements may be made as needed. Refer to the *Recipient Guidelines and Requirements* document for further information about submitting SF-270's.

### **4. Modifications**

In accordance with 2 CFR 200.308, the Recipient shall report deviations in project scope, budget, delivery method, management plan, schedule, or changed site conditions to the Program Manager. The Recipient shall also submit written requests to the Program Manager for the replacement of Key Staff identified in the Special Provisions. Refer to the *Recipient Guidelines and Requirements* document for further information about modifying a Financial Assistance Award.

### **5. Financial Management, Record Keeping, Internal Controls, and Audits**

The Recipient must have financial management and record keeping systems that are consistent with 2 CFR 200.302. If the Recipient is a State organization it must expend and account for FAA funds in accordance with applicable State laws and procedures for expending and accounting for the State's own funds.

The Recipient must establish and maintain effective internal controls with respect to this FAA that are consistent with 2 CFR 200.303.

In accordance with 2 CFR 200.501, Recipients that expend \$750,000 or more of federal funds in a year shall have a single or program-specific audit conducted for that year.

Refer to the *Recipient Guidelines and Requirements* document for further information about financial management, record keeping, internal controls and audits.

## **6. Direct and Indirect Costs**

All direct costs must be allowable and reasonable. Indirect costs must be allocable based on accepted accounting policies and practices. Indirect costs must be specifically included as a line item or identified with appropriate notes in the approved FAA budget. Refer to 2 CFR 200 Subpart E (Cost Principles) and the *Recipient Guidelines and Requirements* document for further information on direct and indirect costs.

## **7. Sub-Awards and Contracts**

All sub-awards and contracts issued by the Recipient under this FAA must comply with 2 CFR 200.331 and Appendix II to 2 CFR 200. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

## **8. Acknowledgement of Support**

The Recipient shall display a sign that acknowledges the Government's support for construction project(s) supported in whole or in part with Denali Commission funds. The Recipient shall include the Denali Commission as a financial contributor and project/program partner in all media correspondence related to all project(s) supported by the Denali Commission. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

## **9. Real and Personal Property**

In accordance with 2 CFR 200.311, 313, and 316 the Denali Commission may require the Recipient to execute a security interest or other public notice of record to indicate that real or personal property acquired or improved, in whole or in part, with Federal funds is subject to a Federal interest. Any such requirements under this FAA, including post project reporting in accordance with 2 CFR 200.329, will be stipulated in the Special Provisions.

## **10. Conflict of Interest**

In accordance with 2 CFR 200.112, the Recipient must disclose in writing any potential conflicts of interest to the Commission. In addition, 2 CFR 200.318 requires that Recipients maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award, and administration of contracts. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

### **11. Denali Commission Policies**

Recipients may be required to comply with certain published Denali Commission policies. Any such requirements under this FAA will be stipulated in the Special Provisions. Refer to the *Recipient Guidelines and Requirements* document for further information on individual policies.

### **12. Laws and Regulations**

Recipients are required to comply with all applicable Federal laws and regulations. General categories of potentially applicable laws and regulations are summarized below. Refer to the *Recipient Guidelines and Requirements* document for further information on specific laws and regulations that may apply.

- a. Debarment and Suspension
- b. Whistle-blower Protection
- c. Non-Discrimination
- d. Lobbying and Propaganda
- e. Environmental
- f. Drug-Free Workplace
- g. Travel
- h. Human Rights
- i. Animal Welfare
- j. Executive Compensation

### **13. Other Provisions**

- a. The United States expressly disclaims any and all responsibility or liability to the Recipient or sub-recipients for the actions of the Recipient or sub-recipients resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this FAA, including sub-awards, contracts, or sub-contracts issued in connection with this FAA.
- b. To the maximum extent practicable, considering applicable laws, the Recipient shall accomplish the project contemplated by this FAA using local Alaska firms and labor.
- c. All terms and conditions contained in this FAA apply to any sub-recipient under this FAA.
- d. Failure to comply with the provisions of this FAA or maintain satisfactory performance may result in additional FAA conditions pursuant to 2 CFR 207. This includes but is not limited to: temporarily withholding of payments pending the correction of the deficiency; disallowance of project costs; wholly or partially suspending or terminating the FAA. In addition, failure to comply with the provisions of this FAA may also have a negative impact on the Recipient's eligibility for future Federal awards.

#### 14. Special Provisions

Progress Reports: Shall be submitted on a quarterly basis. The first reporting period is June 16, 2015 to September 30, 2015, and quarterly thereafter in accordance with the Commission's *Recipient Guidelines and Requirements*.

Pre-award Costs: Pre-award costs incurred on or after June 16, 2015 are eligible for reimbursement under this grant agreement.

Key Staff:

Forest Button, AVEC Project Manager

Federal Property Interests and Reporting Requirements: Apply per 2 CFR 200.329. Reporting will be biennially, to begin at the end of the performance period.

Denali Commission Policies:

- Sustainability

Bonds and Insurance: The contract awarded by AVEC for construction of the intertie will include payment and performance bonds per existing AVEC policy; The Denali Commission shall be named as an Additional Insured on AVEC's Liability Insurance Policy, as well as the Liability Insurance Policy of the General Contractor retained by AVEC to construct the intertie.

#### 15. Program Manager, Financial Manager & Other Contact Information

Denali Commission	Alaska Village Electric Cooperative
Jodi Fondy Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3011 Fax: 907-271-1415 E-mail: <a href="mailto:jfondy@denali.gov">jfondy@denali.gov</a>	Meera Kohler Project Manager 4831 Eagle Street Anchorage, AK 99503 Phone : 907-561-1818 Fax : 907-562-4086 E-mail: <a href="mailto:mkohler@avec.org">mkohler@avec.org</a>
Monica Armstrong Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: <a href="mailto:marmstrong@denali.gov">marmstrong@denali.gov</a>	Meera Kohler Financial Manager 4831 Eagle Street Anchorage, AK 99503 Phone : 907-561-1818 Fax : 907-562-4086 E-mail: <a href="mailto:mkohler@avec.org">mkohler@avec.org</a>

**Financial Assistance Award Terms and Conditions - Attachment A  
Between the Denali Commission and Alaska Village Electric Cooperative  
For New Stuyahok – Ekwok Intertie Completion**

- a. Scope of Work: Complete and integrate a new 8-mile intertie between the communities of New Stuyahok and Ekwok, Alaska. The project is part of an effort to reduce operating costs and increase efficiency by connecting communities together via an electrical intertie. The scope will include all required construction permits and environmental clearances to complete the intertie construction, convert the Ekwok power plant to a standby module, modify the New Stuyahok power plant to incorporate the intertie, and for distribution upgrades.

The intertie design was funded through the USDA Rural Utilities Service grant included in the project budget in Section C below.

- b. Deliverables:

- Intertie between New Stuyahok and Ekwok, Alaska
- Modified New Stuyahok power plant
- Standby power plant in Ekwok
- Final report

- c. Budget: The Commission is making \$742,000 available for the project via this Financial Assistance Award (Award). This amount includes all direct and indirect costs. USDA Rural Utilities Service (RUS) and Alaska Village Electric Cooperative (AVEC) are contributing \$2,975,000 toward the project as identified in the table on page 2.

- d. Delivery Method: AVEC will use in-house resources to modify the power plant in New Stuyahok. AVEC will procure the intertie materials including poles, transformers, switches, overhead material, etc. Construction of the intertie will be completed through a negotiated contract with STG, Inc. which is consistent with the Commission's Competitive Bid Policy. STG, Inc. is currently constructing a separate project in Ekwok.

- e. Schedule: Final design will be completed in September 2015. Construction is scheduled to begin in January 2016 and be complete late 2016.



line	ITEM	BUDGET		FUNDING						
				Previous				This Action		Total
		Amount	Reference	Commission	Reference	USDA RUS	AVEC Match	Commission	AVEC Match <sup>a</sup>	
1	Planning	\$46,000	Part of Award 356-07	\$46,000	Part of Award 356-07	\$0	\$0	\$0	\$0	\$46,000
2	Construction	\$3,675,000	See note b	\$0	n/a	\$2,520,000	\$280,000	\$700,000	\$175,000	\$3,675,000
3	Indirect	\$42,000	See note c	\$0	n/a	n/a	n/a	\$42,000	n/a	\$42,000
4	Totals	\$3,763,000		\$46,000		\$2,520,000	\$280,000	\$742,000	\$175,000	\$3,763,000
5	Total Commission Funding For Project Including This Amendment			\$788,000		Total Award Amount				
6	Total Match For Project To Date After Executing This Amendment			\$2,975,000						
7	Grand Total			\$3,763,000						

a. AVEC match must be at least 20% of Denali Commission construction funding; for this award the match is 25%

b. AVEC estimate per meeting May 2015

c. 6% of Commission Construction Funding; AVEC does not have a federally negotiated indirect rate